

# Fiscal Note

*Fiscal Services Division*



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**HF 520** – Veterans, Resident Tuition Rates (LSB1029HV.1)

Analyst: Dwayne Ferguson (Phone: 515-281-6561) ([dwayne.ferguson@legis.state.ia.us](mailto:dwayne.ferguson@legis.state.ia.us))

Fiscal Note Version – Revised

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## **Description**

**House File 520** requires the Regents universities and community colleges to adopt rules to classify active military personnel and qualified veterans and their spouses and dependent children as residents for purposes of charging tuition and fees. A qualified veteran is someone who served on active duty after September 10, 2001, and received an honorable discharge.

## **Assumptions**

- Domiciled veterans, as used in this Bill, means a veteran who has moved into Iowa to attend college. It does not refer to someone who has previously established Iowa residence and thus already meets the definition of resident for tuition purposes.
- As of July 1, 2009, active duty military personnel whose permanent residence or active duty station is in Iowa and their spouses and dependents will receive in-state tuition and fees as required by the federal Higher Education Opportunity Act.
- Currently there are 41 nonresident veterans attending the University of Iowa, 25 attending Iowa State University, and 10 attending the University of Northern Iowa for a total of 76 current nonresident students who will be affected by this bill.
- The Regents universities' average annual resident tuition and mandatory fees are \$6,700 for FY 2010 and \$6,900 for FY 2011. The average nonresident tuition and mandatory fees are \$18,300 for FY 2010 and \$19,000 for FY 2011.
- The average difference between resident and non-resident tuition for the 15 community colleges for a 30-hour academic program year is currently \$1,209.

## **Fiscal Impact**

There is no impact to the State General Fund.

Based on current enrollment of nonresident veterans, the Regents universities will forego estimated nonresident tuition revenues of \$993,000 in FY 2010 and \$1.0 million in FY 2011.

For each qualified veteran, spouse, or dependent child that enrolls in a Regents university because of the change in House File 520, the university will have increased tuition revenues of \$6,700 in FY 2010 and \$6,900 in FY 2011. It is not known how many students that otherwise would not have attended an Iowa Regents university will choose to come to Iowa because of this change.

Community colleges will not have a significant reduction in tuition revenues.

## **Sources**

Board of Regents  
Department of Education

/s/ Holly M. Lyons

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March 24, 2009

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The fiscal note for this bill was prepared pursuant to [Joint Rule 17](#) and the correctional and minority impact statements were prepared pursuant to [Section 2.56](#), [Code of Iowa](#). Data used in developing this fiscal note, including correctional and minority impact information, is available from the Fiscal Services Division of the Legislative Services Agency upon request.

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